

REMARKS

In the Office Action, claims 1-16 were allowed, and claim 17 was rejected. Applicant thanks the Examiner for allowing claims 1-16. Claim 17 has been amended, and claims 1-17 remain pending in the present application. The claim amendments are fully supported throughout the written description and figures of the specification. No new matter has been added.

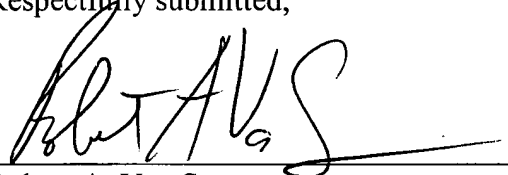
Claim 17 was rejected under 35 USC 102(b) as anticipated by the Eddison et al. reference, US Patent No.: 5,617,926. Independent claim 17 has been amended to clarify certain aspects of the invention and is believed to be patentably distinct over the cited reference.

The Eddison et al. reference discloses a steerable rotary drilling tool. The drilling tool transmits torque from a housing 21 to a drive shaft 27 and a bit 11 via a ball bearing 31. The drive shaft 27 and the bit 11 are articulated and pivotable about the geometrical center of a coupling ball 26. The pivotal motion is fixed by the amount of eccentricity of a bearing 35 at the upper end of shaft 27. An intermediate shaft 37 has a lower end coupled to shaft 27 and an upper end coupled to an upper shaft 42 by a clutch mechanism 43. Clutch mechanism 43 enables the selective engagement of upper shaft 42 with intermediate shaft 37 for rotation to adjust the angle of bit 11 via the eccentricity of bearing 35. (See column 5, lines to-36).

However, the cited reference fails to disclose or suggest numerous aspects of the amended, independent claim 17. For example, the cited reference does not disclose or suggest first and second housing sections and an actuation member movable in a generally axial direction "with respect to the second housing section" in combination with a member secured within the second housing section such that "axial movement of the actuation member through the member forces selective pivoting motion of said second housing section relative to said first housing section" as recited in amended, independent claim 17. Accordingly, claim 17 is believed patentable over the cited reference.

In view of the foregoing remarks, the pending claims are believed patentable over the cited reference. However, if the Examiner believes certain amendments are necessary to clarify the present claims or if the Examiner wishes to resolve other issues by way of a telephone conference, the Examiner is kindly invited to contact the undersigned attorney at the telephone number indicated below.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Robert A. Van Someren', written over a horizontal line.

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